Utah County

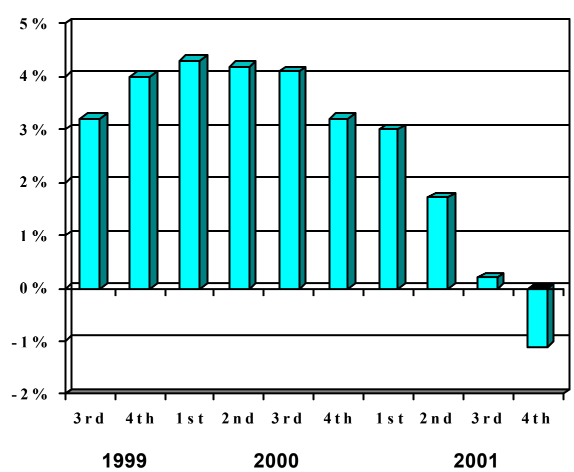
Job losses in Utah County? Wow! This hasn't happened since 1982. It's been a remarkable run of economic performance, but after 20 years the bubble has burst. In 1982, Utah County lost 0.2 percent of its jobs. The year 2001 will be recorded as a growth year, but only because growth in the first three quarters will offset the fourth quarter loss of 1.1 percent. The question is, how many quarters of job loss will be seen in 2002, and will it end up being a job-loss year?

July-December 2001

The preliminary indications are that yes, 2002 will be a job-loss year. This Utah County reversal into a negative employment situation is rooted in the broader national recession. The factors that have dragged down the United States economy — manufacturing, computers/technology, and retail trade — are having the same effect upon Utah County. These factors are not making a rapid turnaround on a national scale, and there is no reason to think they will in Utah County. Therefore, the outlook for 2002 is not pointing toward an expanding economy.

Continued on page 3.

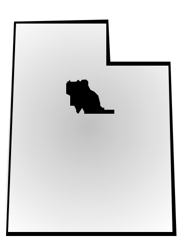
Utah County Year-Over Growth in Nonfarm Jobs



Economic Newsletter

Published June 2002

inside



Current through December 2002

Just the Facts

	3rd Quarter 2001	3rd Quarter 2000	Percent Change	4th Quarter 2001	4th Quarter 2000	Percent Change
Unemployment Rate	3.6%	2.6%		4.3%	2.5%	
Nonfarm Jobs	**152,355**	**151,986**	**0.2%**	**155,840**	**157,606**	**-1.1%**
Total Construction (000s)	$212,834.6	$215,442.8	-1.2%	$148,130.0	$160,662.1	-7.8%
New Home Permits	**1,044**	**1,086**	**-3.9%**	**752**	**852**	**-11.7%**
Taxable Sales (000s)	$1,068,601.5	$1,049,701.9	1.8%	$1,095,469.5	$1,113,243.8	-1.6%

Summary

- Utah County is experiencing job losses for the first time in 20 years.
- The unemployment rate has climbed to 4.3 percent, and is heading higher.
- Year-over job growth came to a halt in the third quarter, then slipped onto the negative side in the fourth quarter.
- Fourth quarter employment is down 1.1 percent, or over 1,700 positions.
- The closure of Geneva Steel and other manufacturing losses are having the largest contribution to the decline.
- The national trend of a slumping computer/technology sector is also hitting Utah County hard.
- The trade sector is also showing significant job losses.
- On the strength of an ever-expanding school-age population, local government employment rises with these education demands.
- Construction employment is still up, but it may be showing signs of future decline.

nonfarm jobs

The year 2001 started out positive in Utah County, with employment growth over 3 percent. But then things changed rapidly. Growth fell in the second quarter to 1.5 percent, followed by only 0.2 percent in the third quarter, and then the 1.1 percent decline in the fourth quarter. Correspondingly, unemployment has risen from 2.8 percent to over 4.0 percent and climbing.

Fourth quarter data show that over 1,700 jobs have been lost year-over in Utah County. The state's overall economy is also losing jobs, but Utah County's slump is more pronounced due to the closure of Geneva Steel. Without Geneva's 1,200 jobs, Utah County's situation would still be negative, but more like a loss of 500 jobs instead of 1,700. Even when Geneva closed once before in 1987, the county still saw job growth of 2.8 percent. This particular downturn has more added punch to it than the 1987 environment.

tech wreck

What is this added punch? It is the decline of computer/internet-based businesses. This industry, a subgroup of the services industry, was one of the main reasons that Utah County had a high-flying economy throughout most of the 1990's. But this is the same industry that has gone bust nationally, and it is hitting Utah County in like fashion. The product this industry produces is not the problem. It was the management and financing of this product that got out-of-line, and what we are seeing is a readjustment back to reality. Overcapacity and overexcitement were such that it could take another year or two before this industry rights itself and prepares again for it role in leading our economy into the future.

Computer-related employment has fallen by over 2,000 workers. Then there is another 800 temporary-placement workers who have lost their jobs. Yet overall services employment is down by "only" 1,000 positions. There has to be something countering these computer losses. Turns out there are, to some degree. Education and health care are two significant areas of increasing employment, helping to soften the blow.

manufacturing slump

We have alluded to the lost jobs at Geneva Steel, and this has crippled the manufacturing sector. But with overall manufacturing losses close to 1,700 positions, there has to be more than just Geneva influencing this number. Turns out there are lost jobs in many manufacturing areas. Wood products, printing/publishing, chemical products, and fabricated metals are all manufacturing weak areas. There are preliminary indications that on a national level, manufacturing's decline may have hit bottom and, if not actually reversing losses, at least maintaining its current levels. But without Geneva Steel reopening, Utah County will show manufacturing losses for the next year.

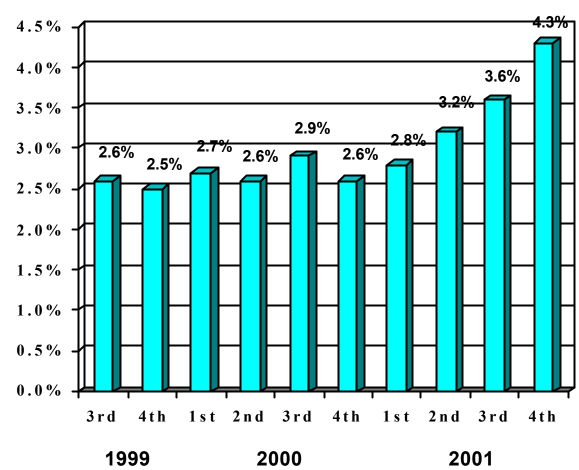
no trade

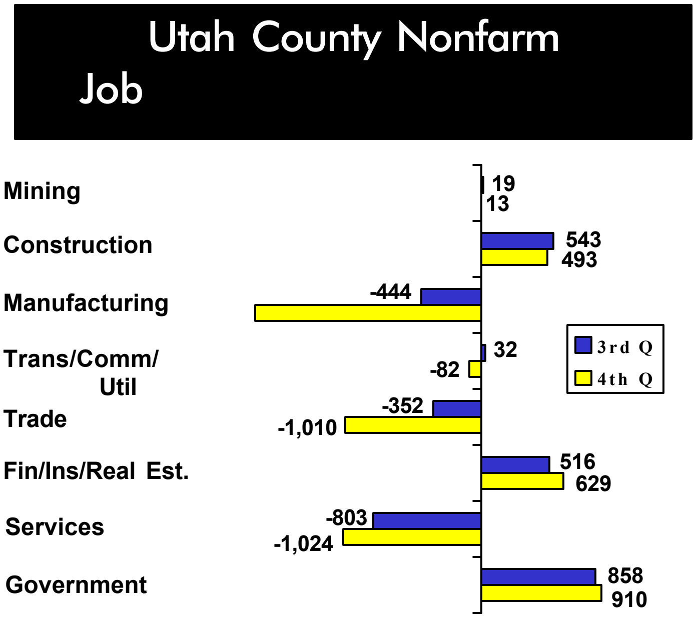
Trade is another weakened industry in Utah County, losing over 1,000 jobs. Wholesale trade lost 600 jobs, some related to the transferring of Intel jobs to Salt Lake County. The retail trade side has many businesses with fewer workers — including department, grocery, and furniture stores. Restaurants are the only growth area.

bright spot

So between manufacturing, trade, and services, over 3,700 fewer jobs are observed in the fourth quarter. But the county's overall loss is "only" 1,700, so there must be a gain of

Utah County Unemployment Rates





2,000 jobs in other industries. They are found in government, finance/insurance/real estate, and construction.

government aid

Government employment increased by over 900 positions. This includes federal, state, and local governments. Local government accounts for over 700 of this gain, with most of this from the ever-increasing demands placed upon the local school districts. State government added over 160 positions and again, most are in education.

financial aid

The finance/insurance/real estate industry has been a pleasant surprise in Utah County, adding over 600 year-over jobs. These gains are spread across this entire industry conglomeration, with gains in banks, mortgage banks, investment firms, and real estate companies.

construction

Finally, construction continues hanging in there as a growth industry. Close to 500 new year-over jobs are observed. Areas such as plastering and drywall, concrete work, carpentry, and plumbing and heating all added new workers. Overall, construction still employs around 11,000 workers in Utah County.

How might construction continue to go? One leading indicator is the value of construction permits approved in the county. Though valuation was up for the entire year in Utah County, third and fourth quarter valuations were lower than observed in the same time period in 2000. Valuation was down 1.2 percent in the third quarter, and 7.8 percent in the fourth quarter.

Each quarter differs. In the third quarter, residential valuation was down while nonresidential valuation rose. Reverse this scenario and you have the fourth quarter. Still, the number of new dwelling units approved in each quarter is still substantial, combining for almost 1,800 units, but it is lower than last year's 1,900.

So if we use this information as a barometer as to how construction will fare in the first half of 2002, one could conclude that there may be some minor declines in construction employment, but this is expected in a slow-economic environment.

sales

Another measurement of economic vitality is gross taxable sales. The sales picture mirrors the employment picture in that third quarter sales were positive, then slipped onto the negative side of the ledger in the fourth quarter.

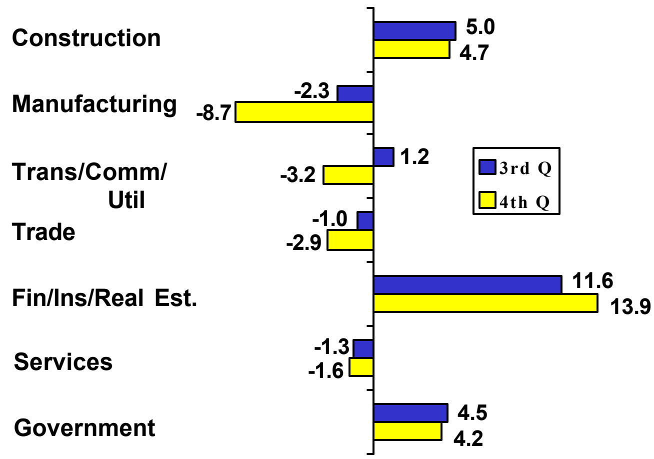
In both quarters, retail sales were positive, growing by 2.8 and 3.5 percent respectively. Department stores and auto dealers both enjoyed nice sales gains. But other areas had declining sales. These include services, particularly business services, manufacturing, wholesale trade, and transportation.

finish

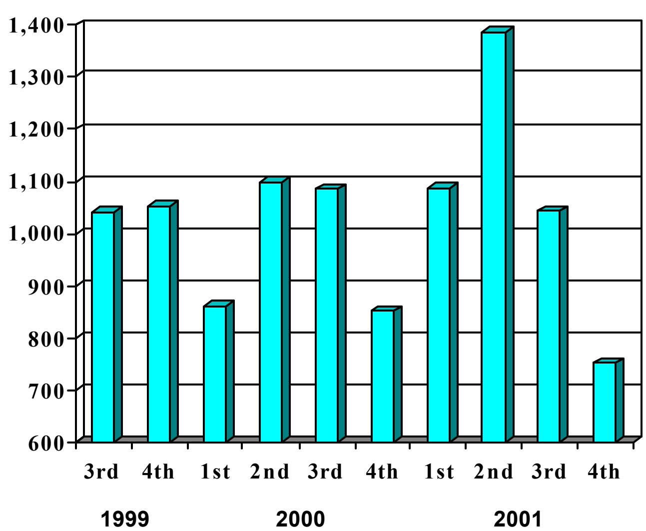
A bit of history is occuring in Utah County as the county is seeing its first overall employment decline in 20 years. The area is being directly affected by national trends, such as a declining steel industry, a collapsing and readjusting computer and technology industry, and slumping retail trade activity. It doesn't appear that this picture will dramatically correct itself in 2002, so look for this sharp economic reversal to continue.

Mark Knold
Senior Economist
801/526-9458
mknold@utah.gov

Utah County Nonfarm % Job Growth: 2000-2001



Utah County Residential Construction Approvals



Economic Events

- A bankruptcy judge has granted Geneva Steel a 60-day extension, until July 1, on a cash collateral agreement, authorizing the company to use $7 million in meeting payroll, professional fees and other expenses. The amended agreement also allows the company more time in securing a $250-million term loan from a private financing institution with the backing of the U.S. government. The $250-million loan would allow the company to purchase an electric arc furnace and pay off an existing term loan of $108 million. In January, Geneva Steel filed for protection from creditors for the second time. (The Deseret News,5/4/02)
- Caldera International Inc., a high-tech Lindon-based developer of business applications for Linux- and Unix-based computers, said it will layoff 73 employees. The reduction represents 15 percent of the company's worldwide workforce, which will total 400 employees after the layoffs. Of the 73 layoffs, 16 will be at the company's Utah County headquarters, and range across sales, marketing, engineering and administrative positions. (The Salt Lake Tribune,5/9/02)
- Innovative Software Technologies Inc., a business software and consulting company based in Riverside, Mo., announced Wednesday that it will add 32 new technical sales and administrative positions to its Orem-based Energy Professional Marketing Group. The company also said it will relocate its Orem work force to another location, probably within Orem, in the next 120 days. (The Deseret News,4/3/02)
- Big-D Construction will start construction this month on a $10.5 million addition to the Lucybeth Rampton Adult Services Building, located on the grounds of the Utah State Hospital in Provo. The new wing, which will be east of the existing building, will have 84,000 square feet of space. Five separate patient units will add 116 beds, and the project also includes administrative and rehabilitation support areas. Completion is expected in August 2003. (The Deseret News, 4/2/02)
- Upscale retailer Nordstrom of Seattle opened a two-story 120,000-square-foot store at University Mall in Orem. The store is the company's third in Utah. (The Salt Lake Tribune,3/20/02)
- Software company Caldera International Inc. reported a net loss of $11 million, or 19 cents per share, for its fiscal quarter ending Jan. 31. The Orem-based company said that figure includes $6.4 million of non-cash and restructuring charges. Without the restructuring charge of $5.3 million, the net loss would have been $5.7 million, or 10 cents per share. (The Deseret News, 2/27/02)
- A little more than two years ago, the long, sad story of Novell Inc. seemed headed for a happy ending. After years of strategic missteps, the Provo software company had a new direction from a new chief: Eric Schmidt. The polished Silicon Valley executive returned Novell to profitability, boosted its share price and conceived a promising Internet strategy. In early 2000, Novell

stumbled again, leading to more losses, layoffs and yet another strategic about-face. The effect on Novell's stock, added to the problems of the past, were enough to make the former high flier the Wall Street Journal's Shareholder Scoreboard's worst performer for the 10 years through 2001. With a negative compound annual total return averaging 17.1 percent over that period, it ranked last among 668 Scoreboard companies with 10-year returns. A $1,000 investment in Novell at the end of 1991 would have been worth $153 at the end of last year. And so far this year, the stock has dropped a further 15 percent. (The Deseret News,2/26/02)

- Fairview and Spring City, in Sanpete County, will participate in the construction of a proposed natural-gas fired generating plant in Payson, Utah County. If approved, the facility will be built by Questar and the Utah Associated Municipal Power System, a power cooperative of which Fairview and Spring City are members. The plant would generate 128 megawatts of electricity, which is enough to supply about 64,000 homes. Fairview has committed to buy 75 kilowatts of the power and Spring City 89 kilowatts. If the plant is built, its target completion date is in 2004. (The Salt Lake Tribune,2/5/02)

- OneNetwork Inc., which provides high-speed Internet service, has opened up several areas in Provo and Orem to mobile broadband, allowing consumers to be mobile while staying connected to the Internet. By the end of the year, 90 percent of Utah Valley will be able to connect to the Web using a mobile broadband connection. In the future, it will be possible to surf the Web while traveling in coverage areas, similar to the way cell phone coverage works. (The Deseret News,1/30/02)

- Geneva Steel LLC filed for Chapter 11 bankruptcy protection for a second time. The announcement came one year after Geneva successfully emerged from bankruptcy proceedings for the first time, thanks in part to a $110 million term loan made by Citibank that was 85 percent backed by the federal government. Despite the adverse news, Geneva remains hopeful the steel market will recover this year should President Bush enact tariffs on foreign imports. That decision is expected some time in March. The Vineyard mill said it hopes to seek additional financing to buy an $80 million electric-arc furnace so it can operate as a "mini-mill." (The Deseret News,1/26/02) (The Salt Lake Tribune,1/27/02)

- Work on a new student housing project, Village on the Parkway at 12000 West University Parkway in Orem, began in March. The $8-million project will consist of 14 buildings and 84 units and provide housing for 402 students. This development is prompted by rapid growth at Utah Valley State College, and more projects of this nature are expected in the area. (The Enterprise, 1/14/02)

- Million Air SLC, Salt Lake's largest air charter provider, has opened a new facility at the Provo airport. The 8,000 square-foot building contains a lobby, offices, and amenities for both business-travel customers and pilots. The Provo operation is a full-service aviation business providing fuel, charter, hangar and tie-down services, as well as flight instruction and aircraft rental. (The Enterprise, 1/14/02)

labor market indicators

Utah County

	Third Quarter (July-September)				Fourth Quarter (October-December)			
	2001(p)	2000	Percent Change	Numeric Change	2001(p)	2000	Percent Change	Numeric Change
Civilian Labor Force*	**174,803**	**170,132**	**2.7**	**4,671**	**175,244**	**173,466**	**1.0**	**1,777**
Employed	168,574	165,769	**1.7**	**2,805**	167,658	169,062	**-0.8**	**-1,404**
Unemployed	6,230	4,363	**42.8**	**1,866**	7,585	4,404	**72.2**	**3,181**
Percent of Labor force	*3.6*	*2.6*			*4.3*	*2.5*		
Total Nonagricultural Jobs**	**152,355**	**151,986**	**0.2**	**369**	**155,840**	**157,606**	**-1.1**	**-1,766**
Goods Production	30,439	30,321	**0.4**	**118**	28,874	30,063	**-4.0**	**-1,189**
Mining	72	53	**35.8**	**19**	65	52	**25.0**	**13**
Contract Construction	11,397	10,854	**5.0**	**543**	10,985	10,492	**4.7**	**493**
Manufacturing	18,970	19,414	**-2.3**	**-444**	17,824	19,519	**-8.7**	**-1,695**
Service Production	121,916	121,665	**0.2**	**251**	126,966	127,543	**-0.5**	**-577**
Trans., Comm., Pub. Util.	2,607	2,575	**1.2**	**32**	2,505	2,587	**-3.2**	**-82**
Trade	33,782	34,134	**-1.0**	**-352**	34,227	35,237	**-2.9**	**-1,010**
Wholesale	*5,603*	*6,098*	**-8.1**	**-495**	*5,561*	*6,179*	**-10.0**	**-618**
Retail	*28,179*	*28,036*	**0.5**	**143**	*28,666*	*29,058*	**-1.3**	**-392**
Fin., Ins., & Real Estate	4,959	4,443	**11.6**	**516**	5,139	4,510	**13.9**	**629**
Services	60,743	61,546	**-1.3**	**-803**	62,772	63,796	**-1.6**	**-1,024**
Government	19,825	18,967	**4.5**	**858**	22,323	21,413	**4.2**	**910**
Federal	*1,180*	*1,195*	**-1.3**	**-15**	*1,107*	*1,076*	**2.9**	**31**
State	*5,393*	*5,203*	**3.7**	**190**	*5,823*	*5,657*	**2.9**	**166**
Local	*13,252*	*12,569*	**5.4**	**683**	*15,393*	*14,680*	**4.9**	**713**

* Seasonally Adjusted p = Preliminary

** Detail may not add to total due to rounding; employment covered by Unemployment Insurance laws.

Utah County
Permit-Authorized Construction

	Third Quarter (July-Sep)			Fourth Quarter (Oct-Dec)			Annual Average 2001		
	2001	2000	Percent Change	2001	2000	Percent Change	2001	2000	Percent Change
Utah County									
New Dwelling Units	1,044	1,086	-3.9%	752	852	-11.7%	4,272	3,898	9.6%
New Residential ($000)	144,057.1	145,193.2	-0.8%	110,012.6	107,573.2	2.3%	576,294.0	503,210.1	14.5%
New Nonresidential($000)	49,902.8	40,976.9	21.8%	27,273.7	37,432.5	-27.1%	167,323.4	154,360.6	8.4%
Additions/Alterations/Repairs	18,874.7	29,272.7	-35.5%	10,843.7	15,656.4	-30.7%	80,537.7	85,564.3	-5.9%
Residential ($000)	6,096.5	5,097.7	19.6%	3,173.0	9,422.5	-66.3%	18,653.9	23,846.1	-21.8%
Nonresidential ($000)	12,778.2	24,175.0	0.0%	7,670.7	6,233.9	23.0%	61,883.8	61,718.2	0.3%
Total ($000)	**212,834.6**	**215,442.8**	**-1.2%**	**148,130.0**	**160,662.1**	**-7.8%**	**824,155.1**	**743,135.0**	**10.9%**
American Fork									
New Dwelling Units	54	36	50.0%	40	35	14.3%	157	173	-9.2%
New Residential ($000)	7,005.5	5,447.6	28.6%	5,729.8	4,992.9	14.8%	23,800.5	24,214.2	-1.7%
New Nonresidential($000)	8,829.1	2,725.5	223.9%	470.5	1,281.2	-63.3%	16,894.9	4,942.6	241.8%
Additions/Alterations/Repairs	879.8	1,737.7	-49.4%	168.6	601.2	-72.0%	17,119.2	3,483.7	391.4%
Residential ($000)	134.6	253.4	-46.9%	66.1	119.5	-44.7%	734.9	675.2	8.8%
Nonresidential ($000)	745.2	1,484.3	-49.8%	102.5	481.7	-78.7%	16,384.3	2,808.5	483.4%
Total ($000)	**16,714.4**	**9,910.8**	**68.6%**	**6,368.9**	**6,875.3**	**-7.4%**	**57,814.6**	**32,640.5**	**77.1%**
Cedar Hills									
New Dwelling Units	16	66	-75.8%	31	31	0.0%	108	213	-49.3%
New Residential ($000)	4,548.6	15,295.0	-70.3%	9,811.7	6,477.2	51.5%	30,957.0	43,440.4	-28.7%
New Nonresidential($000)	0.0	48.9	0.0%	0.0	1,709.5	-100.0%	7.9	2,919.6	-99.7%
Additions/Alterations/Repairs	119.7	189.6	-36.9%	166.8	185.4	-10.0%	562.3	513.1	9.6%
Residential ($000)	119.7	189.6	-36.9%	166.8	185.4	-10.0%	562.3	513.1	9.6%
Nonresidential ($000)	0.0	0.0	0.0%	0.0	0.0	0.0%	0.0	0.0	0.0%
Total ($000)	**4,668.3**	**15,533.5**	**-69.9%**	**9,978.5**	**8,372.1**	**19.2%**	**31,527.2**	**46,873.1**	**-32.7%**
Eagle Mountain									
New Dwelling Units	103	127	-18.9%	57	115	-50.4%	361	584	-38.2%
New Residential ($000)	11,365.2	15,678.1	-27.5%	6,923.2	12,373.4	-44.0%	42,850.6	67,159.5	-36.2%
New Nonresidential($000)	79.8	1,585.6	-95.0%	201.9	0.0	na	1,857.6	1,606.1	15.7%
Additions/Alterations/Repairs	0.0	0.0	0.0%	33.6	0.0	na	33.6	66.8	-49.7%
Residential ($000)	0.0	0.0	0.0%	0.0	0.0	0.0%	0.0	66.8	-100.0%
Nonresidential ($000)	0.0	0.0	0.0%	33.6	0.0	na	33.6	0.0	na
Total ($000)	**11,445.0**	**17,263.7**	**-33.7%**	**7,158.7**	**12,373.4**	**-42.1%**	**44,741.8**	**68,832.4**	**-35.0%**
Lehi									
New Dwelling Units	112	133	-15.8%	94	94	0.0%	471	436	8.0%
New Residential ($000)	11,830.3	13,328.1	-11.2%	9,952.5	9,284.6	7.2%	47,409.7	42,358.9	11.9%
New Nonresidential($000)	3,779.5	9,264.3	-59.2%	1,061.1	387.9	173.5%	7,169.9	16,227.9	-55.8%
Additions/Alterations/Repairs	987.9	1,075.8	-8.2%	479.7	371.9	29.0%	3,741.0	2,548.6	46.8%
Residential ($000)	474.3	386.7	22.7%	391.7	183.9	113.0%	1,940.3	1,281.1	51.5%
Nonresidential ($000)	513.6	689.1	-25.5%	88.0	188.0	-53.2%	1,800.7	1,267.5	42.1%
Total ($000)	**16,597.7**	**23,668.2**	**-29.9%**	**11,493.3**	**10,044.4**	**14.4%**	**58,320.6**	**61,135.4**	**-4.6%**

Source: Bureau of Economic and Business Research, University of Utah.

Utah County
Permit-Authorized Construction

	Third Quarter (July-Sep)			Fourth Quarter (Oct-Dec)			Annual Average 2001		
	2001	2000	Percent Change	2001	2000	Percent Change	2001	2000	Percent Change
Orem									
New Dwelling Units	45	82	-45.1%	47	90	-47.8%	192	380	-49.5%
New Residential ($000)	6,272.0	9,182.8	-31.7%	5,304.1	8,601.8	-38.3%	25,294.7	38,590.8	-34.5%
New Nonresidential($000)	5,663.9	7,990.3	-29.1%	8,699.6	3,917.2	122.1%	36,628.6	23,280.3	57.3%
Additions/Alterations/Repairs	4,706.2	8,970.5	-47.5%	3,075.0	2,719.9	13.1%	14,465.8	25,540.7	-43.4%
Residential ($000)	1,029.5	693.2	48.5%	366.5	1,121.6	-67.3%	3,077.6	4,034.0	-23.7%
Nonresidential ($000)	3,676.7	8,277.3	-55.6%	2,708.5	1,598.3	69.5%	11,388.2	21,506.7	-47.0%
Total ($000)	**16,642.1**	**26,143.6**	**-36.3%**	**17,078.7**	**15,238.9**	**12.1%**	**76,389.1**	**87,411.8**	**-12.6%**
Payson									
New Dwelling Units	49	117	-58.1%	36	86	-58.1%	260	322	-19.3%
New Residential ($000)	4,455.5	10,034.5	-55.6%	3,186.2	7,543.8	-57.8%	22,641.2	28,300.7	-20.0%
New Nonresidential($000)	1,389.0	818.3	69.7%	395.3	28.4	1291.9%	2,291.8	3,420.7	-33.0%
Additions/Alterations/Repairs	492.8	838.5	-41.2%	359.7	160.6	124.0%	1,135.5	4,964.5	-77.1%
Residential ($000)	326.6	294.1	11.1%	65.1	43.0	51.4%	588.8	542.3	8.6%
Nonresidential ($000)	166.2	544.4	-69.5%	294.6	117.6	150.5%	546.7	4,422.2	-87.6%
Total ($000)	**6,337.3**	**11,691.3**	**-45.8%**	**3,941.2**	**7,732.8**	**-49.0%**	**26,068.5**	**36,685.9**	**-28.9%**
Provo									
New Dwelling Units	137	100	37.0%	49	51	-3.9%	590	327	80.4%
New Residential ($000)	15,558.2	12,629.0	23.2%	7,959.3	5,858.9	35.8%	65,991.4	41,844.9	57.7%
New Nonresidential($000)	8,148.0	3,540.6	130.1%	5,289.3	13,539.5	-60.9%	45,094.2	39,006.0	15.6%
Additions/Alterations/Repairs	8,040.7	7,680.9	4.7%	4,170.5	8,657.3	-51.8%	20,099.9	27,726.0	-27.5%
Residential ($000)	1,110.9	1,072.5	3.6%	485.7	6,029.9	-91.9%	3,664.9	8,699.3	-57.9%
Nonresidential ($000)	6,929.8	6,608.4	4.9%	3,684.8	2,627.4	40.2%	16,435.0	19,026.7	-13.6%
Total ($000)	**31,746.9**	**23,850.5**	**33.1%**	**17,419.1**	**28,055.7**	**-37.9%**	**131,185.5**	**108,576.9**	**20.8%**
Spanish Fork									
New Dwelling Units	95	118	-19.5%	59	95	-37.9%	377	405	-6.9%
New Residential ($000)	12,501.5	14,571.6	-14.2%	7,820.1	11,812.1	-33.8%	45,116.2	49,791.6	-9.4%
New Nonresidential($000)	694.1	4,140.2	-83.2%	496.5	10,009.1	-95.0%	4,845.6	16,906.8	-71.3%
Additions/Alterations/Repairs	682.6	1,831.6	-62.7%	224.6	892.5	-74.8%	10,691.6	4,174.1	156.1%
Residential ($000)	309.0	240.8	28.3%	126.1	243.7	-48.3%	880.7	1,023.3	-13.9%
Nonresidential ($000)	373.6	1,590.8	-76.5%	98.5	648.8	-84.8%	9,810.9	3,150.8	211.4%
Total ($000)	**13,878.2**	**20,543.4**	**-32.4%**	**8,541.2**	**22,713.7**	**-62.4%**	**60,653.4**	**70,872.5**	**-14.4%**
Springville									
New Dwelling Units	94	65	44.6%	66	82	-19.5%	326	228	43.0%
New Residential ($000)	12,304.1	8,741.0	40.8%	8,683.2	9,482.8	-8.4%	40,636.6	29,596.5	37.3%
New Nonresidential($000)	7,377.4	2,004.6	268.0%	631.0	2,214.1	-71.5%	9,995.0	19,302.5	-48.2%
Additions/Alterations/Repairs	532.6	4,797.6	-88.9%	461.9	1,029.5	-55.1%	3,029.1	7,874.6	-61.5%
Residential ($000)	383.7	413.0	-7.1%	92.4	561.2	-83.5%	1,100.6	1,498.4	-26.5%
Nonresidential ($000)	148.9	4,384.6	-96.6%	369.5	468.3	-21.1%	1,928.5	6,376.2	-69.8%
Total ($000)	**20,214.1**	**15,543.2**	**30.1%**	**9,776.1**	**12,726.4**	**-23.2%**	**53,660.7**	**56,773.6**	**-5.5%**

Source: Bureau of Economic and Business Research, University of Utah.

Utah County

Gross Taxable Retail Sales

Standard Industrial Classification	3rd Quarter (July - Sep) 2001	3rd Quarter 2000	% Chng	4th Quarter (Oct - Dec) 2001	4th Quarter 2000	% Chng	Annual 2001 2001	Annual 2000	% Chng
Agriculture, Forestry & Fishing	**$912,073**	**$1,136,911**	**-19.8**	**$942,027**	**$884,523**	**6.5**	**$3,908,867**	**$4,095,621**	**-4.6**
Mining	**143,718**	**557,108**	**-74.2**	**80,582**	**-101,573**	**-179.3**	**1,412,837**	**2,190,523**	**-35.5**
Construction	**9,249,854**	**13,500,855**	**-31.5**	**8,907,165**	**14,272,676**	**-37.6**	**40,001,921**	**50,932,936**	**-21.5**
Manufacturing	**59,738,846**	**64,601,361**	**-7.5**	**51,150,957**	**62,292,129**	**-17.9**	**221,819,887**	**231,090,015**	**-4.0**
Transportation	**1,479,063**	**1,490,674**	**-0.8**	**1,377,641**	**2,463,072**	**-44.1**	**6,072,474**	**8,463,941**	**-28.3**
Communications	**47,823,798**	**42,302,292**	**13.1**	**46,377,662**	**44,866,620**	**3.4**	**192,406,840**	**165,257,316**	**16.4**
Electric & Gas	**46,757,767**	**35,758,877**	**30.8**	**45,719,876**	**43,476,417**	**5.2**	**215,837,158**	**158,696,413**	**36.0**
Total Wholesale Trade Sales	**84,910,922**	**91,488,880**	**-7.2**	**76,777,213**	**95,675,119**	**-19.8**	**346,638,790**	**373,673,263**	**-7.2**
Durable Goods	69,345,179	75,206,584	-7.8	61,511,577	77,144,654	-20.3	274,958,772	304,380,937	-9.7
Nondurable Goods	15,565,743	16,282,296	-4.4	15,265,636	18,530,465	-17.6	71,680,018	69,292,326	3.4
Total Retail Trade Sales	**654,015,174**	**636,193,044**	**2.8**	**722,359,831**	**697,637,421**	**3.5**	**2,589,692,032**	**2,514,036,267**	**3.0**
Building and Garden Stores	57,641,674	58,827,396	-2.0	50,194,385	50,569,572	-0.7	218,645,139	226,012,033	-3.3
General Merchandise Stores	133,785,301	118,031,638	13.3	175,039,565	154,597,244	13.2	549,526,929	488,009,701	12.6
Food Stores	121,892,314	127,492,090	-4.4	125,071,497	133,623,125	-6.4	481,751,831	501,927,234	-4.0
Motor Vehicle Dealers	137,593,626	125,551,532	9.6	134,259,329	112,832,873	19.0	511,359,992	467,668,515	9.3
Apparel & Accessory Stores	28,877,471	30,541,692	-5.4	34,066,325	37,545,897	-9.3	115,826,572	118,406,362	-2.2
Furniture Stores	48,336,308	53,478,922	-9.6	59,914,453	64,130,990	-6.6	204,229,733	223,722,343	-8.7
Eating & Drinking Places	61,948,788	61,428,513	0.8	58,287,652	59,736,737	-2.4	239,864,381	234,442,944	2.3
Miscellaneous Retail	63,939,692	60,841,261	5.1	85,526,625	84,600,983	1.1	268,487,455	253,847,135	5.8
Finance, Insurance, Real Estate	**12,213,976**	**13,762,455**	**-11.3**	**12,048,859**	**14,577,012**	**-17.3**	**49,426,739**	**54,751,318**	**-9.7**
Total Service Sales	**118,482,657**	**120,125,299**	**-1.4**	**105,346,186**	**115,379,186**	**-8.7**	**445,800,609**	**456,119,565**	**-2.3**
Hotels & Lodging	6,965,495	6,586,236	5.8	4,559,982	3,889,321	17.2	21,658,291	19,728,514	9.8
Personal	5,996,609	6,274,318	-4.4	6,704,365	6,598,553	1.6	23,667,040	23,687,278	-0.1
Business	27,886,385	33,244,487	-16.1	28,037,505	35,036,788	-20.0	117,602,382	136,371,640	-13.8
Auto & Misc. Repair	35,609,038	36,266,280	-1.8	31,074,120	33,079,703	-6.1	137,324,836	136,256,598	0.8
Amusement & Recreation	16,829,609	16,660,097	1.0	15,751,262	17,216,014	-8.5	64,608,998	63,600,346	1.6
Health	4,171,837	3,599,240	15.9	4,247,389	3,848,632	10.4	16,427,337	14,730,251	11.5
Ed., Legal, Social	21,023,684	17,494,641	20.2	14,971,563	15,710,175	-4.7	64,511,725	61,744,938	4.5
Public Administration	**4,879,187**	**3,593,376**	**35.8**	**3,987,629**	**2,864,548**	**39.2**	**14,827,746**	**11,495,651**	**29.0**
Private Motor Vehicle Sales	**24,910,039**	**23,515,549**	**5.9**	**17,466,573**	**16,782,814**	**4.1**	**87,424,070**	**84,834,234**	**3.1**
Occasional Retail Sales	**1,494,821**	**278,950**	**435.9**	**1,198,507**	**796,763**	**50.4**	**4,377,284**	**2,393,281**	**82.9**
Nondisclosable or Nonclassifiable	**1,589,608**	**1,396,302**	**13.8**	**1,728,776**	**1,377,121**	**25.5**	**6,704,664**	**5,191,750**	**29.1**
Total	**$1,068,601,503**	**$1,049,701,933**	**1.8**	**$1,095,469,484**	**$1,113,243,848**	**-1.6**	**$4,226,351,918**	**$4,123,222,094**	**2.5**

**Annual Average Only

Source: Utah State Tax Commission.

New Regional Economist for the Mountainland Region

James A. (Jim) Robson is the new Regional Economist for the Central and Mountainland regions: Salt Lake, Utah, Tooele, Summit, and Wasatch Counties. He has a Bachelor of Science degree in Economics from the University of Utah.

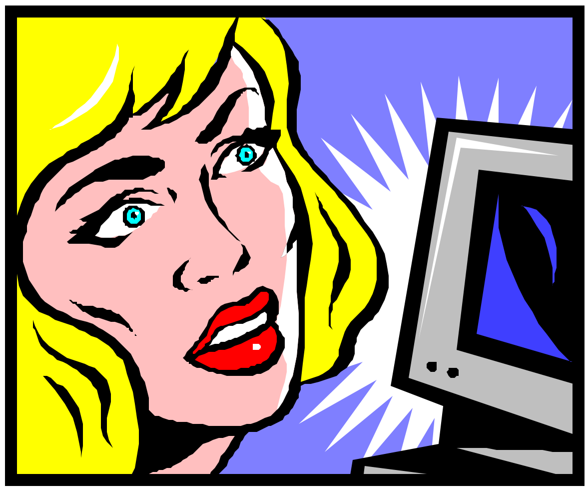
Mr. Robson has returned to DWS after working as a Research Analyst for ten years at the Governor's Office of Planning and Budget analyzing Utah's economic and demographic issues, and for ten years at Utah Foundation doing research on Utah public policy issues.

Previously, Jim worked for the Utah Department of Employment Security (the predecessor agency of DWS) administering the Current Employment Statistics survey.

Mr. Robson has worked for and participated with the Governor's Council of Economic Advisors, the Utah Population Estimates Committee, and is a member and past president of the Wasatch Front Economic Forum.

Employers' Corner

Utah's Job Connection



Smart business people know where to find the latest, most accurate information available about economic trends, the labor market, cost of living and industry trends. There's county-level economic information too, and it's all FREE on the DWS Economic Information Web site: http://wi.dws.state.ut.us

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and ccomprehensive employment-related and supportive services responsive to the needs of employers, job seekers, and the community.

Equal Opportunity Employment Program auxiliary aids and services are available upon request to individuals with disabilities. Call (801) 526-9240. Individuals with speech and/or hearing impairments may call the state relay at 1-800-346-4128.

Your local employment centers are located at:

American Fork 751 East Quality Drive, Suite 100 American Fork, UT 84003 801-492-4500	Provo North 1550 North 200 West Provo, UT 84604 801-342-2600	Provo Turning Point 987 South Geneva Road Orem, UT 84058 801-764-7505
Spanish Fork 1185 North Chappel Drive Spanish Fork, UT 84660 801-794-6600	Provo South 150 East Center Street Provo, UT 84606 801-374-7740	

All our publications, and other information, are available on our website. To read, download, or print this publication:

http://jobs.utah.gov/wi
Click on "State, County and Local Information," select the county, and click on the first newsletter under "Publications".

To obtain additional printed copies or subscribe to this newsletter, contact:

Department of Workforce Services
Attn: Workforce Information
PO Box 45249
140 East300 South
Salt Lake City, UT 84145-0249

Telephone: 801/526-9786
Fax: 801/526-9238
e-mail: jkramer@utah.gov

03-13MU-0602

We welcome your comments, questions and feedback!